

**SENATE BUDGET COMMITTEE**  
**DEMOCRATIC CAUCUS**  
**KENT CONRAD, RANKING MEMBER**

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**REPUBLICANS BLOCK CONRAD'S SOCIAL  
SECURITY/MEDICARE "LOCKBOX" AMENDMENT**  
**– Conrad Faults Republican Senators for Giving Bush Green Light to Raid  
the Social Security & Medicare Trust Fund Surpluses –**

**Washington, DC** – In a blow to efforts to protect the Social Security and Medicare trust fund surpluses from being raided, Republican Senators today blocked Senator Kent Conrad's "lockbox" amendment.

Conrad's amendment would have locked away every penny of the Social Security trust fund surplus for commitments already promised to Social Security beneficiaries. In addition, the Conrad amendment would have ensured that every penny of the Medicare trust fund surplus would be used to fulfill current obligations to Medicare beneficiaries.

"The Senate's failure to step up to the plate and protect the Social Security and Medicare trust fund surpluses means these monies can be and will be raided by the Bush budget plan," warned Conrad.

"The only way the Bush budget numbers including his massive tax cut add up is if the Administration uses either the Social Security or Medicare trust fund surpluses," said Conrad. "By failing to support my lockbox amendment, the Senate Republican leadership today is giving President Bush a green light to raid these trust fund monies which are already promised to our nation's seniors."

Conrad's lockbox amendment was almost identical to an amendment he offered last June which passed the Senate 60 to 37. The North Dakota Democrat said the nine Republican Senators who voted to protect the trust funds last year, but voted against protection this year, will have a difficult time explaining their contradictory position.

"The Bush budget plan makes the need for a meaningful lockbox amendment all the more important this year," said Conrad. "Why would Senators want less protection this year when we have a President who so clearly wants to raid these funds to support his tax cut and spending priorities?"

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To fully protect both funds, the Conrad amendment would have taken the Medicare trust fund “off-budget” – just as Social Security currently is – so that these funds could not be used for any other purpose. Conrad, the senior Democrat on the Senate Budget Committee, also said his amendment contained special legislative provisions that would have prevented any year’s budget from decreasing either trust fund’s surplus.

A weaker lockbox amendment offered by Senators Jeff Sessions of Alabama and Pete Domenici of New Mexico was also defeated. Conrad argued that the Sessions/Domenici proposal did not offer sufficient protections to prevent raids on the Medicare surplus and it did not provide any new safeguards for Social Security.

“The Republican lockbox amendment contains a ‘trap-door’ loophole that would allow the trust funds to be used to pay for a drug benefit by simply calling it ‘reform,’” said Conrad. “No one is going to be fooled by gimmicks like that. The Medicare Trust Fund should be fully protected. No trap-doors, no loopholes, no gimmicks, period.”

While a majority of Senators supported Conrad’s effort, the 53 to 47 vote on Tuesday was not enough to reach the 60 votes necessary to defeat a ‘point of order’ which was raised against the Conrad amendment.

Although Conrad is disappointed with today’s outcome, he was pleased to have a majority of Senators on record wanting to safeguard the trust funds. He said he will not give up his fight to fully protect the Social Security and Medicare trust fund surpluses. He pledged to give Senators additional legislative opportunities to protect these two funds.

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